Defense Logistics Agency

National Inventory Management Strat– Update – 27 August 2004

J-3 Update to the CSR Conference

Rev 3 as of 26 Aug, 1700

NIMS - Army

Status:

- **CSCM-A:**
  - CSCM-A Requirements To Be Embedded In GCSS-A
  - IPT Established With AMC
  - Completed Initial GCSS-A Review On 30 June

- **Army Depot Inventory Efficiency:**
  - AMC To Pilot @ Red River Army Depot
  - Anniston and Corpus Christi Depots To Follow

Inventory Efficiency Air Force

Pilot Site: OC-ALC

Co-located Inventory Attrition

Start Date: Jul 03

Expansion Site: OO-ALC

Co-located Inventory Attrition

Start Date: Jun 04

Status:

- Continued High Level Of Customer Satisfaction: $7M in inventory reductions to date
- AFIE Expansion
  - Tinker ALC, 871 NSNs Added In March 04, $7.7M
  - Hill ALC, June 04, 2859 NSNs, $8M
  - Warner-Robins ALC – 1st Qtr CY05 – DSCR Lead – Initial Meeting Held June 9, 2004
- IPRs Completed In July And August For Tinker

Issues:

- Physical Delivery Process And Metric Elevated to DLA/AF Partnership Council
- Backorders Trending Up

Rev 3 as of 26

NIMS – Navy

Pilot Sites: Ingleside, TX
Start Date: May 03 & NAS Whidbey Island

Status:

- **NS Ingleside**
  - Pilot Metrics Continue To Be Positive
  - Completed Quarterly Inventory Level Setting
  - Completed Warehousing Function Turnover
  - Working Transition Plan With DSCC
- **NAS Whidbey Island**
  - Held Initial System Meeting (22 July)
  - Conducted Kickoff VTC
    - Site Visit Aug 31-Sep 1
      - ➢ Develop Business Rules and Performance Based Agreement
    - Software Integration Meeting Scheduled for Sep 8-9 (DSCC)

NIMS - Marine Corps

Wholesale and Retail Integration of Support to the War fighter:

- **Reduces service inventory costs.**
- **Captures more accurate retail demand for DLA managed items, improving forecasting and … effectiveness.**

USMC attrition of inventory investment estima…

II MEF: 5774 pilot NSNs: $8.48M!!

III MEF: 12,169 NSNs: $4.3 M→ Possible $…

I MEF: 17,117 NSNs: $19M →Possible $ 10 …

Ball park estimate

313 DVD NSNs to be added in Jan 06 for $9.8 M total USMC cost avoidance.

STRATIS Programming Costs: 2002-Present:	**$215,200**
DLA Manpower Costs:	**$361,400**
NIMS-MC Testing Costs:	**$162,000**
TOTAL COSTS:	**$738,600**

Joint Environmental Material Management Service (JEMMS)

Status:

- Air Force
  - Kadena On Hold Pending Overall Air Force Review
  - ALCs Interested in Prime Vendor Support for HazMat
- Navy - Guam Transition In Progress
- USMC - MCAS Cherry Point and Lejeune Surveys & BCAs Done; Decision Pending Actions by HQMC I&L and New Lejeune POC
- Army - AMC/DLA Pilot IPT Underway
  - Site Survey in September
  - Army National Guard And NAVSUP Participating
- Korea – Recommend Moving Further Review to 4th Qtr FY05

Issue:

- Co-Located Depots – Need to Resolve Facility and Information Sharing With DDC

Summary

Forward Progress:

- Expansion Of Air Force Inventory Efficiency Underway At Hill
- USMC Development For Pilot At II MEF
- Navy Ingleside Progress Continues – Transitioning to Field
- NAS Whidbey Island Kicked Off …Close Coordination With NAVSUP/CNAP And DLA Activities.
- JEMMS Discussions For Expansion To Multiple Sites
- Army Depot Inventory Efficiency Pilot Established

Next Steps:

- Air Force Inventory Efficiencies At Warner Robins ALC
- USMC Development – Systems Synchronization
- Navy; R-Supply/BSM And SAMMS Functional Systems Requirements & Onsite Meetings At DSIO And NASWI